



# Department of Justice

FOR IMMEDIATE RELEASE  
WEDNESDAY, OCTOBER 10, 2007  
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## **ANTITRUST DIVISION LAUNCHES WEB SITE ON COMPETITION IN THE REAL ESTATE BROKERAGE INDUSTRY**

WASHINGTON — The Antitrust Division of the Department of Justice launched a new Web site today to educate consumers and policymakers about the potential benefits that competition can bring to consumers of real estate brokerage services and the barriers that inhibit that competition. Among its features, the Web site includes maps identifying states with real estate laws that can inhibit competition, a calculator to help consumers tally their potential savings when brokers pursuing new business models compete for their business, and links to additional government resources. The address is: [http://www.usdoj.gov/atr/public/real\\_estate/index.htm](http://www.usdoj.gov/atr/public/real_estate/index.htm).

“Buying or selling a home is the largest financial transaction most Americans will ever undertake,” said Thomas O. Barnett, Assistant Attorney General in charge of the Department’s Antitrust Division. “This Web site will help consumers and policymakers understand the benefits of increased competition among real estate agents.”

The estimated median commission paid by home sellers in 2006 was \$11,672, according to the Antitrust Division. New real estate brokerage models have the potential to reduce that amount by thousands of dollars. For example, in states that allow open competition, some buyer’s brokers rebate up to two-thirds of their commission to the customer, and some seller’s brokers offer limited-service packages that let sellers list their homes on the local multiple listing service (MLS) for as little as a few hundred dollars.

In a number of states, however, laws have been passed making it illegal for brokers to offer rebates, or requiring them to offer a full package of traditional services regardless whether all consumers want them. The Antitrust Division Web site contains data showing that if these sorts of barriers to competition were eliminated, consumers could save thousands of dollars in real estate commissions when selling one home and buying another.

The Web site also explains how consumers are harmed when states forbid competition between lawyers and non-lawyers to conduct real estate closings, and when brokers tailor the rules governing local multiple listing services to exclude lower-cost rivals.

Consumers are encouraged to contact the Antitrust Division if they have information concerning anticompetitive conduct in the real estate brokerage industry.

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